

BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS

IN THE MATTER OF:

AID ORDER NO. 2018-028

DONALD HILSDON  
PETITIONER

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ORDER

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On this day, the matter of the application for a producer license of Donald Hilsdon ("Petitioner") came before Allen Kerr, Arkansas Insurance Commissioner ("Commissioner"). A hearing was held on February 7, 2018, in the First Floor Hearing Room of the Arkansas Insurance Department ("Department") pursuant to a Notice of Hearing dated December 13, 2017. The hearing was held before Chief Deputy Commissioner Russ Galbraith ("Hearing Officer") pursuant to his appointment by the Commissioner in accordance with Ark. Code Ann. § 23-61-103(e)(1). The Department was represented by Gray Allen Turner, Associate Counsel. The Petitioner was present and participated in the hearing.

FINDINGS OF FACT

1. The Commissioner of Insurance has jurisdiction pursuant to the Arkansas Insurance Code, specifically Ark. Code Ann. §§ 23-60-101, *et seq.*
2. Petitioner received notice of the hearing and participated in the hearing.

3. Petitioner resides in Pulaski County, Arkansas.
4. Petitioner submitted an Uniform Individual Application for License/Registration for an Arkansas resident insurance producer license on October 17, 2017.
5. The Department denied Petitioner's application on November 13, 2017.
6. Petitioner filed a timely request for a hearing.
7. Petitioner was formerly a game warden with the Arkansas Game and Fish Commission.
8. Petitioner was terminated from the Game and Fish Commission after an investigation by the Maumelle Police Department concluded that he had misused the Arkansas Crime Information Center's database in connection to a stolen firearm found by Petitioner's son.
9. Petitioner was charged with Unauthorized Access, Tampering with Evidence, and Obstruction of Governmental Operations in Pulaski County Circuit Court.
10. On January 24, 2018, Petitioner pled guilty to 1 count of Obstructing Governmental Operations, a misdemeanor, in Pulaski County Circuit Court. The remaining charges were dismissed. Petitioner was sentenced to 1 day in jail and ordered to pay court costs.

### CONCLUSIONS OF LAW

11. To obtain a insurance producer license Ark. Code Ann. § 23-64-

202(a)(2)(C)(i) requires that an applicant must be "deemed by the commissioner to be competent, trustworthy, financially responsible, and of good personal and business reputation, and these qualifications must continue in order to remain licensed."


12. Petitioner, as the party requesting an order granting a producer's license, has the burden of proof as per Ark. Code Ann. § 25-15-213(4). Petitioner has failed to present sufficient evidence to meet his burden of proof that he has satisfied the statutory requirements to be an insurance producer as required by Ark. Code Ann. § 23-64-202(a)(2)(C)(i) and § 23-64-506(e)(1). Specifically, the Petitioner failed to present credible evidence for the Commissioner to find that he is competent and trustworthy.

13. The Insurance Commissioner, as per Ark. Code Ann. § 23-64-512(a)(2), may refuse to issue an insurance producer's license for violating a law that calls into question the insurance producer's fitness to hold a license. Petitioner violated § 23-64-512(a)(2) in that petitioner violated a law, specifically § 5-54-102 Obstructing Governmental Operations, that calls into question his fitness to hold a license.

#### RECOMMENDATION OF HEARING OFFICER

WHEREFORE, upon consideration of the evidence of record and the foregoing Findings of Fact and Conclusions of Law, the Hearing officer recommends the following:

14. That the Arkansas Insurance Resident Producer license application of Petitioner be denied.

  
Russ Galbraith  
Chief Deputy Commissioner

CERTIFICATION

I, Allen Kerr, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendation of the Hearing Officer were made by and under my authority and supervision by Russ Galbraith, Chief Deputy Commissioner and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law and Recommendation in full, as set forth herein.

THEREFORE, it is hereby ORDERED that the Arkansas producer license application of the Petitioner is denied.

IT IS SO ORDERED THIS 7th DAY OF March, 2018.

  
ALLEN KERR  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS